

FIRST AMENDMENT TO OWNER PARTICIPATION AGREEMENT

THIS FIRST AMENDMENT TO OWNER PARTICIPATION AGREEMENT is made and entered into this 1st day of April, 2009 by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY (the "Agency") and SP SAHARA DEVELOPMENT, LLC (the "Developer"). The Effective Date of this First Amendment is the date of approval by the Governing Board of the Agency.

RECITALS:

WHEREAS, the Agency and Developer entered into the Owner Participation Agreement dated June 15, 2005 ("OPA") which the Agency agreed to reimburse to Developer a portion of the incremental increase in property taxes generated by the Site and the Project, as described in the OPA; and

WHEREAS, on June 18, 2008, the Agency adopted Resolution RA 5-2008, which authorized the issuance of the City of Las Vegas Redevelopment Agency Taxable Tax Increment Subordinate Lien Note No. 1 in the amount of \$20,912,093.77; and

WHEREAS, on June 30, 2008, the Agency issued City of Las Redevelopment Agency Taxable Tax Increment Subordinate Lien Note No. 1; and

WHEREAS, the Agency and Developer desire to amend the OPA to clarify the terms of the reimbursement of the tax increment.

NOW, THEREFORE, the Agency and Developer agree to the following modifications:

1. OPA: Section 401, Developer Notes, subsection (e) shall be deleted and replaced with the following paragraph:

"Available Accrued Taxes" shall mean the product of fifty-five percent (55%) (rounded to the nearest one cent (\$.01)) multiplied by the Agency Share of Real Estate Taxes. Notwithstanding the calculation and allocation of the Agency Share of Real Estate Taxes set forth herein, the Available Accrued Taxes shall be limited to the Agency Share of Real Estate Taxes actually received by the Agency from the taxing agency. The Agency Share of Real Estate Taxes equals the Real Estate Taxes (defined herein) paid from time to time in connection with the Project, including land and improvements, minus each of the following allocations: (i) the portion of taxes paid (18%) of taxes received by the Agency under NRS 279.676 with respect to the Project) which is required to be used providing low income housing pursuant to NRS 279.685; (ii)

the Real Estate Taxes paid based on the then current rate (3.2812) applied against the fiscal year 2005-2006 assessed value of the property on which the Project is located, including land and improvements, if any; (iii) the Real Estate Taxes paid with respect to the Project that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, and which are paid into the debt service fund of the taxing agency, as provided in NRS 279.676 (1) (c); (iv) the Real Estate Taxes paid with respect to the Project that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996 and paid into the appropriate fund of the taxing agency, as provided in NRS 279.676 (1) (d); and (v) any other portion of the Real Estate Taxes paid with respect to the Project which is not transferred to the Agency under NRS 279.676. "Real Estate Taxes" means the ad valorem real estate taxes paid in connection with the Project and shall not include any other taxes or assessments against the Project.

2. In accordance with the terms of the City of Las Vegas Redevelopment Agency Taxable Tax Increment Subordinate Lien Note No. 1 dated June 30, 2008 ("Developer Note"), as of the Effective Date of this First Amendment, the Developer represents and warrants that it has received the written consent from each Recognized Lender, as defined in the OPA, to this First Amendment to OPA and the modification of the Developer Note.
3. Concurrently with the approval of this First Amendment to OPA by the parties, the Agency will be approving Resolution RA _____ which will amend Resolution RA 5-2008 to clarify the terms of the reimbursement of the tax increment with respect to the Project and approve the issuance of the City of Las Vegas Redevelopment Agency Amended Taxable Tax Increment Subordinate Lien Note No.1.

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4. Except as hereinabove set forth, the OPA shall remain valid and in full force and effect.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairperson

ATTEST:

BEVERLY K. BRIDGES, CMC
Secretary

APPROVED AS TO FORM:

J. Pinball *3/23/09*
Date

SP SAHARA DEVELOPMENT, LLC

By: _____

Its: _____